

DIARY NOTES

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DD/S

4 December 1958

1. [REDACTED] and several members of the Management Staff were in for their periodic briefing at which time:

a. It was decided that when the Management Staff made a study of a component and recommended an increase in the number of positions which they felt this component should have, it was not their responsibility to make recommendations as to where these positions should come from. However, it was also decided that normally they should make suggestions in a separate paper to the Deputy Director (Support) as to where he might get the necessary positions.

b. They stated that in making a management study they often found a function which they thought would be susceptible to outside contracting. The question was whether or not they should pursue this before completing their study or submit the study without looking into this aspect of the subject, leaving it for future determination. It was decided that we should follow the latter course.

c. The question of what responsibility the Management Staff had for holding down average grades and salaries was discussed. Heretofore, the usual procedure has been that a T/O is approved subject to a classification survey. This puts the classification people in somewhat of a spot and eventually the component concerned usually gets what it wants. I believe that this is wrong and advised John that while these two objectives were separate they should work very closely together and said that in the future, as a general rule, I did not intend to sign off on such T/Os until I had the whole package and could weigh the cost of the changes recommended.

d. We discussed the question of what role the Management Staff should play in the implementation of Regulation No. [REDACTED] "Manpower Controls." It was decided that inasmuch as the Office of Personnel had this situation in hand they should go ahead and carry out this function, with the Management Staff playing a monitoring role; however, I indicated that I still expected the Management Staff to play the coordinating role in submitting all such staffing papers to this office for final approval or other action.

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e. [REDACTED] reported that [REDACTED] was very much interested in "records management" and believed that we were going to see a substantial improvement in the management program in the DD/P Area.

f. [REDACTED] reported that they felt a very substantial improvement was being made in the Supply Division and that [REDACTED] apparently proposed to drop some 18 positions from his present T/O.

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g. [REDACTED] reported that the [REDACTED] had agreed to put in shelf filing and anticipated that this would be done in all of the Office of Operations [REDACTED] As a result of our shelf filing program it appears that we have enough three-way combination safes to last us for several years without buying any new ones. 25X1A6a

h. We discussed the program which the Management Staff is to follow in the DD/S and DD/I Areas in view of the fact that the Inspector General proposes to start with the Office of Personnel sometime soon. I directed them to concentrate their efforts in the Office of Logistics. In all probability they should then go into the Office of Security inasmuch as Security, Personnel and Logistics are the three areas which everyone seems to think should be cut down in size.

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i. Inasmuch as it would appear, with the exception of [REDACTED] and [REDACTED], that we haven't much strength in the Management team working in the DD/S Area, I directed John to reassign to this Area at least one man from the DD/I team. 25X1A9a

j. I asked John to draft a memorandum from me to the Director on the general philosophy of picking up in the Agency's kitty those slots provided for a function when that function is eliminated or curtailed. I also asked him to submit recommendations as to where I should make reductions and at what time when we contract out for services which have heretofore been performed by staff employees such as those attached to the [REDACTED]

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2. Gates and I saw the Director at which time he declined to sign our proposed letter to Mr. Stans, Bureau of the Budget, concerning the Fiscal Year 1960 Budget. In lieu of this he asked for a blind memorandum which he could use in a meeting with Mr. Stans now scheduled immediately after the National Security Council Meeting on Saturday, 6 December. 25X6D

[REDACTED]

4. Mr. Gordon Arneson, Hugh Cumming's Deputy, Department of State, telephoned about a Cable No. IN 1222 of 4 December [REDACTED] I arranged to have the Cable delivered to Mr. Sheldon who was to consult with the Director and contact [REDACTED] with regard to an appropriate reply. 25X1A6c 25X1A9a

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5. I have asked [REDACTED] to include in the financial statistics which the Comptroller supplies me on a monthly basis a sheet showing the status of the "Operating Reserve."

6. At the Career Council Meeting:

a. A statement on "overtime policy" was approved for publication.

b. The ground rules for further development of our retirement system were approved as well as a proposed schedule for competitive promotions.

c. In connection with the Selection-Out Program, Mr. Kirkpatrick said that the Director had queried him as to why we should not have some system like the military wherein if an individual was passed over for promotion a stipulated number of times he was automatically selected out. He requested on behalf of the Director that Gordon Stewart prepare a brief memorandum to the Director on the merits and demerits of such a system. The Council also felt that we ought to give more consideration as to how we could speed up selection out cases. (I want to follow up on this with Gordon.)

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d. With regard to the proposed retirement system [REDACTED] reported that Shef Edwards was undertaking a separate study on additional benefits for investigative personnel and other hazardous duty types which we might want to crank into the system later. It was the unanimous opinion of the Council that this study should not be undertaken and I have so advised Shef.

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7. [REDACTED] buzzed to say that he thought that he had about exhausted the possibilities of finding the proper Administrative Officer in the Agency for the [REDACTED] job and that if I had no objection he would select [REDACTED]. I told him that I had no objection but suggested that he consult with Larry Houston as to the possibility of getting [REDACTED]. (also advised Larry of this and suggested that he get in touch with Dick.)

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8. Matt Baird and I discussed the DD/P proposal to assign [REDACTED] in order to make a place for [REDACTED]. I then called [REDACTED] and told him that we would need another 24 to 48 hours on this but that I would call him before the close of business sometime tomorrow whether or not we had made a decision. I have asked [REDACTED] to find out what obstacles we might encounter, if any, in case we wished to [REDACTED] for this position.

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